Department of Justice

STATEMENT OF

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U.S. DEPARTMENT OF JUSTICE

BEFORE THE

SUBCOMMITTEE ON REGULATORY REFORM,
COMMERCIAL AND ANTITRUST LAW
COMMITTEE ON THE JUDICIARY
U.S. HOUSE OF REPRESENTATIVES

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OVERSIGHT OF THE ENVIRONMENT AND
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PRESENTED

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Statement of Acting Assistant Attorney General Sam Hirsch
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Chairman Bachus, Representative Johnson, and Members of the Subcommittee, thank you for the opportunity to appear before you today to discuss the important work of the Environment and Natural Resources Division (ENRD or the Division) of the U.S. Department of Justice.

I have had the privilege of serving as the acting Assistant Attorney General for ENRD since May. For five years before that, I was the Deputy Associate Attorney General in the Office of the Associate Attorney General. There, I helped manage a number of ENRD-related matters, including the multidistrict litigation stemming from the 2010 Deepwater Horizon explosion, fire, and oil spill. I am grateful for the opportunity to represent the interests of the United States in my current capacity.

The Division functions as the nation's environmental and natural resources lawyer. Our work protects the country's air, land, and water, and promotes responsible stewardship of America's wildlife, natural resources, and public lands. About half of ENRD's lawyers bring enforcement cases against those who violate the nation's civil and criminal pollution-control laws. Others defend environmental challenges to government programs and activities, and represent the United States in matters concerning natural resources and public lands. The Division is responsible for the acquisition of real property by eminent domain for the federal government and for cases arising under the wildlife and marine resources protection laws. In addition, ENRD handles a broad array of important matters affecting Indian tribes and their members, as well as protecting the lands and resources held in trust for them by the United States.

ENRD is made up of about 600 permanent employees, more than 400 of whom are attorneys. Each year, Division lawyers handle thousands of cases, and represent virtually every federal agency in courts across the United States. Our primary client agencies are the U.S. Environmental Protection Agency (EPA), the U.S. Department of the Interior, the U.S. Army Corps of Engineers, the U.S. Department of Commerce, the U.S. Department of Agriculture, the U.S. Department of Homeland Security, the U.S. Department of Energy, and the U.S. Department of Defense, among others.

I am very proud of the Division's work and its outstanding litigation results. The Division's efforts result in significant public health and other direct benefits to the American people. In fiscal year 2013, we obtained almost $6.5 billion in corrective measures through court orders and settlements, which will go a long way toward protecting the nation's air, water, and

other natural resources. We are also committed to ensuring that American taxpayers receive a substantial return on their investment by securing significant monetary recoveries through litigation. For example, in fiscal year 2013, we secured more than $1.788 billion in civil and stipulated penalties, cost recoveries, natural resource damages, and other civil monetary relief, including almost $637 million recovered for the Superfund. We concluded 53 criminal cases against 87 defendants, obtaining nearly 65 years in confinement and more than $79 million in criminal fines, restitution, community service funds, and special assessments. Finally, by comparing claims made with the amounts ultimately imposed, we estimate that the handling of defensive and condemnation cases closed in fiscal year 2013 saved the United States more than $6.8 billion.

In this 20th anniversary year of the signing of Executive Order 12898, which directed each federal agency to make achieving environmental justice part of its mission, the Department of Justice and the Division remain staunchly committed to the pursuit of environmental justice. Environmental justice is the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental and natural resources laws, regulations, and policies. We have done this in many ways, including by working closely with other federal agencies to coordinate environmental-justice efforts, by engaging communities to an unprecedented degree, and by achieving meaningful results for vulnerable communities in our cases.

RECENT DIVISION LITIGATION

For purposes of today's hearing, I will highlight a few cases across ENRD's work.

A. Deepwater Horizon

The Division's top civil enforcement priority remains the Deepwater Horizon oil spill. On April 20, 2010, an explosion and fire destroyed the Deepwater Horizon offshore drilling rig in the Gulf of Mexico and trigged a massive oil spill amounting to millions of barrels. The discharge continued for nearly 90 days. Eleven people aboard the rig lost their lives, and many others suffered injury. The spill seriously impacted natural habitats, wildlife, and human communities along coastal areas of Alabama, Florida, Louisiana, Mississippi, and Texas.

In December 2010, the United States brought a civil suit against BP, Anadarko, MOEX, and Transocean for civil penalties under the Clean Water Act and a declaration of liability under the Oil Pollution Act, as part of multidistrict litigation in the U.S. District Court for the Eastern District of Louisiana. In February 2012, the Department announced an agreement with MOEX to pay $70 million in civil penalties to resolve alleged violations of the Clean Water Act and to spend at least $20 million to facilitate land-acquisition projects in several Gulf States that will preserve and protect in perpetuity habitat and resources important to water quality. In January 2013, Transocean Deepwater, Inc., agreed to plead guilty to violating the Clean Water Act and to pay a total of $1.4 billion in civil penalties and criminal fines for its conduct relating to the Deepwater Horizon disaster, including a then record-setting $1 billion to resolve Clean Water Act civil claims.

The Division is now more than three years into hard-fought litigation against BP and the remaining defendants. We have continued to work closely with other Departmental components, a host of federal client agencies, and the Gulf States in this action. Billions of dollars are at stake, the lion's share of which would go to restoring damaged natural resources (under the Oil Pollution Act) or to environmental improvement and economic redevelopment in the Gulf States region (under the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2013 (the RESTORE Act)).

The Department tried the first phase of the U.S. case (addressing the cause of the disaster and liability) for nine weeks from February through April 2013, as part of a mass trial in which thousands of private plaintiffs also tried parts of their cases relating to liability and fault. The district court then ruled that BP and Anadarko were liable under the Clean Water Act as owners of the well from which oil was discharged. BP and Anadarko filed an interlocutory appeal in the Fifth Circuit. In June 2014, a Fifth Circuit panel upheld the district court's liability ruling against BP and Anadarko. Defendants have now sought rehearing en banc. We also tried the second phase of the U.S. case (principally addressing how much oil was discharged into the Gulf of Mexico) over three weeks in September and October 2013. Both phases were submitted to the district court for decision. The district court has scheduled the third phase of trial in this matter (addressing assessment of civil penalties) to begin in January 2015. As the Deepwater Horizon litigation progresses, the United States will take whatever steps are necessary to hold accountable those responsible for the explosion, fire, and oil spill.

On September 4, 2014, in a very lengthy decision, the district court ruled on the issues presented in the first phase of trial. The court held that BP Exploration and Production (BPXP) was subject to enhanced penalties under the Clean Water Act because the discharge of oil was the result of BPXP's gross negligence, its willful misconduct, or both. As enhanced, those penalties could amount to as much as $4,300 per barrel of oil discharged or up to $18 billion by our estimate, depending upon other statutory factors the district court must consider before imposing a penalty. This enhanced penalty exposure arises from BPXP's role leading up to the disaster, which the district court saw as amounting to gross negligence and willful misconduct, both in the events surrounding a safety-critical test performed on the well as it neared completion and also in BPXP's central, and often controlling, role in a number of imprudent decisions that were part of the construction of the well.

The district court ruling also addressed issues under the Oil Pollution Act, the federal statute that provides for removal actions to clean up oil spills and creates claims for damages resulting from such spills and cleanups, including for injury to natural resources. The court ruled that violation of certain regulations that govern the design and construction of wells like the Deepwater Horizon well do remove what would otherwise be a cap on the damages that can be recovered under the Oil Pollution Act, including damages to natural resources.

As to certain private-party claims, the district court ruled that a number of BP entities and Transocean entities (owners/operators of the Deepwater Horizon drilling rig) were liable under general maritime law for the well blowout and discharge, as was defendant Halliburton (the cementing contractor). The court found BP's conduct to be reckless, but the Transocean entities and Halliburton were found only to be negligent. For the private-party maritime law claims, the district court allocated liability as follows: 67% to BP, 30% to Transocean, and 3% to

Halliburton. (The district court also concluded that while BP's conduct would warrant imposition of punitive damages, they are not available under applicable law of the Fifth Circuit).

B. Other Civil and Criminal Environmental Enforcement

The Division's many other civil and criminal environmental enforcement efforts have immeasurably protected human health and the environment through significant reductions in emissions and discharges of harmful pollutants. Two cases—*Tonawanda Coke* and *Tronox*—are illustrative.

In March 2013, after a five-week trial, a jury convicted the Tonawanda Coke Corporation (TCC) of 11 counts of violating the Clean Air Act and three counts of violating the Resource Conservation and Recovery Act (RCRA). In addition, TCC's Environmental Control Manager, Mark L. Kamholz, was found guilty of 11 counts of violating the Clean Air Act, one count of obstruction of justice, and three counts of violating RCRA. Coke is used in the steel-mill and foundry industries as an additive in the steel-making process. The evidence proved that the company operated an unpermitted coke oven gas-emission source in Tonawanda, New York, for about 19 years. This gas contains several chemical compounds, including benzene. Prior to an EPA inspection in April 2009, Kamholz directed another employee to conceal the operation of this unpermitted source from inspectors. TCC also operated its quench towers without baffles, in violation of its Title V Clean Air Act permit. Baffles are required to reduce the amount of particulate matter that escapes into the atmosphere during coke processing. Two of the RCRA convictions stem from the illegal recycling of hazardous waste coal tar sludge with coal without appropriate safeguards to prevent release into the environment.

On March 19, 2014, TCC was sentenced to pay a $12.5 million fine, to make a $12.2 million community-service payment, and to serve a five-year term of probation. The community-service payment will fund an epidemiological study and an air and soil study to help determine the extent of the coke facility's health and environmental impacts on the Tonawanda community. Mark Kamholz was sentenced to serve one year of incarceration, followed by one year of supervised release. He also will pay a $20,000 fine and perform 100 hours of community service. Defendants have appealed their convictions.

ENRD also files claims to protect environmental obligations owed to the United States when a responsible party goes into bankruptcy. From the beginning of fiscal year 2009 through the end of fiscal year 2013, we obtained agreements in 35 bankruptcy proceedings, under which debtors committed to spend an estimated $1.678 billion to clean up hazardous-waste sites, reimburse the Superfund more than $710 million plus an additional $88 million in interest, and pay more than $83 million in natural resource damages. Recent developments in an adversary proceeding arising out of a bankruptcy case, *Tronox, Inc. v. Anadarko Petroleum Corp.*, are particularly noteworthy. There, the United States and its co-plaintiff won an award against defendant "New" Kerr-McGee Corporation and certain related defendant companies, all of which are subsidiaries of the Anadarko Petroleum Corporation. In December 2013, the bankruptcy court in New York concluded that the historic Kerr-McGee Corporation ("Old" Kerr-McGee) fraudulently conveyed assets to New Kerr-McGee in 2005 to evade its debts, including its liability for environmental cleanup at toxic sites nationwide. Subsequently, on April 3, 2014, the parties entered into a $5.15 billion settlement, which will be the largest recovery for the

cleanup of environmental contamination in American history. Under the settlement, approximately $4.4 billion of the total will be paid to fund environmental cleanup and for environmental claims at numerous contaminated sites around the country, including radioactive uranium waste on the Navajo Nation's reservation; radioactive thorium in Chicago and West Chicago, Illinois; creosote waste in the Northeast, the Midwest, and the South; and perchlorate waste in Nevada. The U.S. Attorney's Office for the Southern District of New York, working closely with Division attorneys and assisted by EPA, the U.S. Fish and Wildlife Service, the Bureau of Land Management, the National Oceanic and Atmospheric Administration, the U.S. Nuclear Regulatory Commission, the Forest Service, the Department of Defense, numerous state governments, and the Navajo Nation, is handling the case.

C. National Security

While ensuring compliance with the nation's environmental and natural resources laws, ENRD makes important contributions to national security. One recent example of this work is the Division's successful handling of two separate district-court challenges to the Navy's decision to build and operate a second explosives-handling wharf at Naval Base Kitsap, in the Hood Canal of the Puget Sound Basin. The proposed wharf will ensure the continuing viability of the Navy's "Trident" class ballistic-missile submarines developed during the Cold War to serve as a survivable retaliatory strike force in the event of a nuclear attack against the United States. In *Suquamish Tribe v. U.S. Army Corps of Engineers*, plaintiffs alleged that the proposed wharf unlawfully abrogates fishing rights secured to them by treaty and violates the Endangered Species Act. In *Ground Zero Center for Nonviolent Action v. Navy*, plaintiffs argued that the Navy violated the National Environmental Policy Act in approving construction of the wharf and sought to enjoin the construction. In January 2013, the district court denied plaintiffs' motions for preliminary injunction in both cases, and the Suquamish Tribe voluntarily dismissed its lawsuit shortly thereafter. Subsequently, the Division prevailed on the merits in the *Ground Zero* case; plaintiffs have appealed.

One component of the continuing efforts to make America more energy independent is expansion of cleaner domestic sources of energy like wind and solar power. The Division has defended challenges to permits and rights-of-way in more than 25 cases involving solar and wind projects located in California, Delaware, Maine, Massachusetts, Ohio, Oregon, Tennessee, and Vermont. Our successes in fiscal year 2013, for example, included favorable rulings on summary judgment in cases involving the Ivanpah Solar Project, the Genesis Solar Project, the North Sky River Wind Energy Project, the Ocotillo Wind Energy Project, the West Tennessee Solar Farm Project, and the Steens Mountain Wind Project. These victories have enabled substantial development of renewable energy resources across the country. The Division also has resolved the first criminal case against a wind-power company, Duke Energy Renewables, Inc., whose operations killed numerous protected eagles when the company failed to make all reasonable efforts to build the project in a way that would avoid the risk of avian deaths by collision with turbine blades, despite prior warnings about this issue from the U.S. Fish and Wildlife Service.

D. Climate Change

Over the past several years, the Division has made important contributions to combating the effects of climate change. We undertook critical work, for example, to defend and enforce agency administrative actions addressing climate change. EPA has developed a program under the Clean Air Act to regulate the greenhouse-gas emissions that contribute to global climate change. In 2012, the Department obtained a groundbreaking victory in *Coalition for Responsible Regulation v. EPA*, a consolidated Clean Air Act case in which the D.C. Circuit upheld EPA's principal regulations setting greenhouse-gas emission standards for motor vehicles and phasing-in greenhouse-gas permit requirements for stationary sources. In October 2013, the Supreme Court denied the lion's share of nine separate petitions for certiorari seeking further review of the D.C. Circuit's decision. And on June 23, 2014, the Supreme Court issued a decision in *Utility Air Regulatory Group v. EPA*, upholding EPA's ability to regulate approximately 83% of all greenhouse-gas emissions from stationary sources subject to the Clean Air Act's permit program for new and modified sources.

In a settlement reached with the United States in September 2013, Safeway, the nation's second largest grocery-store chain, agreed to pay a $600,000 civil penalty and to implement a corporation-wide plan to significantly reduce its emissions of ozone-depleting substances from refrigeration equipment at more than 650 of its stores nationwide, at an estimated cost of $4.1 million. The settlement resolves allegations that Safeway violated the Clean Air Act by failing to promptly repair leaks of HCFC-22, a hydrochlorofluorocarbon that is a greenhouse gas and ozone-depleting substance used as a coolant in refrigerators, and failed to keep adequate records of the servicing of its refrigeration equipment. The measures that Safeway has committed to take in this settlement are expected to prevent more than 100,000 pounds of future releases of ozone-depleting refrigerants that destroy the ozone layer. Additionally, HCFC-22 has a global-warming potential that is 1,800 times more potent than carbon dioxide. Fixing these leaks, improving compliance, and reducing HCFC-22 emissions will help protect all Americans from the dangers of ozone depletion and reduce climate change.

E. Other Clean Air Act Litigation

Division cases frequently involve challenges to regulations promulgated to implement other aspects of the Clean Air Act. The Department recently successfully defended two sets of important rules involving power-plant emissions. In April 2014, the Department obtained a victory in the D.C. Circuit concerning EPA's Mercury and Air Toxics Standards rule, which was the first rule limiting emissions of mercury and other hazardous air pollutants from the nation's fossil-fuel-fired electric power plants. Later that same month, the Supreme Court upheld EPA's Cross-State Air Pollution Rule, which limits emissions of nitrogen oxides and sulfur dioxide that contribute to the formation of ozone and particulate-matter pollution that drifts from state-to-state. The Supreme Court found that the rule reflected a "permissible, workable, and equitable" approach to this complex interstate pollution problem.

F. Management of Public Lands and Resources

A substantial portion of the Division's work includes litigation under dozens of statutes and treaties related to the management of public lands and associated natural and cultural

resources. Cases involving the U.S. Department of Agriculture's Forest Service, for example, are a significant part of the ENRD docket. The Forest Service is responsible for forests and grasslands totaling 193 million acres. The agency manages those lands according to the multiple-use mandate given to it by Congress. Forest Service lands are important for timber production, watershed protection, non-motorized and motorized outdoor recreation, and wildlife management. Management of Forest Service lands may result in litigation by industry groups, timber companies, environmental organizations, tribes, states, counties, and individuals. Litigation over the management of these lands arises at all levels, ranging from challenges to nationwide rules to small, site-specific timber-harvest projects. Currently, more than a hundred of these cases are pending in the district and appellate courts.

ENRD also handles a variety of cases involving federal onshore and offshore oil and gas programs. Typically, these cases challenge decisions by the Interior Department that make federally managed lands or discrete tracts of the Outer Continental Shelf available for lease, exploration, and development by the oil and gas industry. We also handle litigation concerning the amount of royalties that are owed to the United States for oil and gas produced from federal sources, and cases involving the apportionment of oil and gas royalties between the United States and states located along the Gulf Coast. The Division also defends actions related to the prospecting of hardrock minerals from federal lands. Frequently, a mineral prospector's right to mine or its mining operations come into tension with regulations adopted by the land-management agencies to regulate mining activity. Those tensions sometimes result in litigation. Additionally, suits may be filed to prevent or limit agency-approved mining activity under such statutes as the National Environmental Policy Act, the Federal Land Policy and Management Act, the National Forest Management Act, and the Endangered Species Act, as well as other mining laws and regulations.

G. Indian Tribal Work

The Division handles a broad range of matters affecting Indian tribes and their members. We have been actively engaged with the Interior Department and tribes to protect tribal interests such as tribal water rights; tribal hunting, fishing, and gathering rights; reservation boundaries; and tribal jurisdiction and sovereignty. The United States has a government-to-government relationship with each of the 566 federally recognized Indian tribes, and we seek to work collaboratively with them in carrying out this work wherever possible.

One recent example is *Village of Pender v. Parker*. There, the Omaha Tribe of Nebraska adopted a beverage-control ordinance applicable to retailers on its reservation. The Village of Pender and local business owners sued tribal officials in federal district court in Nebraska to enjoin enforcement of the ordinance in Pender because an 1882 Congressional act allegedly diminished the boundaries of the reservation. In 2007, the district court ruled that plaintiffs had to exhaust their remedies in Omaha tribal court. There, we filed an *amicus* brief arguing that the 1882 act did not alter or diminish the reservation boundary. In February 2013, the tribal court held that the boundaries of the reservation were preserved following the 1882 act. On return of the case to the federal district court in Nebraska, the United States was permitted to intervene and the Division filed a motion for summary judgment, again arguing that Congress had not changed the reservation boundary. In February 2014, the district court agreed, entering judgment

in favor of the Omaha Tribe and the United States. Plaintiffs have appealed the decision to the Eighth Circuit.

We assert water-rights claims for the benefit of tribes to secure safe and reliable drinking water for tribes, as well as water for sanitation, economic development, and other purposes. Recently, ENRD contributed to six landmark Indian water-rights settlements and corresponding statutes which, when fully implemented, will resolve complex and contentious water-rights issues in Arizona, Montana, Nevada, and New Mexico.

ENRD is also charged with representing the United States in civil litigation brought by tribes and their members against the United States, including claims that the United States has breached its trust responsibility. Over the past several years, the Division has sought to resolve, without protracted litigation, dozens of Indian tribal "breach of trust" lawsuits. In these cases, numerous federally recognized Indian tribes allege that the United States, principally the Departments of the Interior and the Treasury, violated the federal government's trust duties and responsibilities to the tribes by failing to provide full and complete historical trust accountings and failing to properly manage the tribes' trust funds and non-monetary trust assets or resources. The tribes seek declaratory and injunctive relief, as well as monetary compensation for their financial injuries. From 2002 until today about 114 Indian tribes and tribal entities filed approximately 97 such "breach of trust" lawsuits in federal district courts and in the Court of Federal Claims. To date, the United States has settled the trust-accounting and trust-management claims of 86 tribes in 63 cases for about $2.78 billion. The United States will continue settlement discussions in other pending cases and is committed to resolving these matters in a manner that is fair and reasonable to the tribes and the United States.

Among other things, all of these settlements set forth a framework for promoting tribal sovereignty and improving aspects of the tribes' relationship with the United States, while reducing or minimizing the possibility of future disputes and avoiding unnecessary litigation. Under the settlements, the tribes and the United States will implement measures that will lead to strengthened management of trust assets and improved communications between the Department of the Interior and the tribes. Also, the tribes and the United States will use an alternative dispute-resolution process to address concerns regarding the future management of the tribes' trust funds and non-monetary trust resources.

H. Wildlife Trafficking

The Department, principally through ENRD, has long been a leader in the fight against illegal wildlife trafficking. In the past decade, wildlife trafficking has escalated into an international crisis. Beyond decimating the world's iconic species, this illegal trade threatens international security. Reports from the State Department and elsewhere indicate that transnational criminal organizations, including some terrorist networks, armed insurgent groups, and narcotics trafficking organizations, are increasingly drawn to wildlife trafficking due to the exorbitant proceeds from this illicit trade. These criminal groups breed corruption, disrupt the peace and security of fragile regions, and destabilize communities and their economies, thus undermining not just wildlife laws and international agreements, but the rule of law itself.

Over the last year, the Department has engaged fully in the Administration's redoubled effort to combat wildlife trafficking through the Presidential Task Force on Wildlife Trafficking, established by the July 2013 Executive Order on Combating Wildlife Trafficking. The Division serves as a Task Force co-chair (as the Attorney General's delegate) and worked with the other co-chairs from the Departments of State and the Interior, and the numerous other Task Force agencies, to craft the *National Strategy for Combating Wildlife Trafficking*, which the President signed and issued on February 11, 2014. The *National Strategy* emphasizes the need for a "whole of government" approach to combating this problem and identifies three priorities: (1) strengthening domestic and global enforcement; (2) reducing demand for illegally traded wildlife at home and abroad; and (3) strengthening partnerships with foreign governments, international organizations, nongovernmental organizations, local communities, private industry, and others to combat illegal wildlife poaching and trade. The *National Strategy* provides a set of overarching principles to guide the U.S. response to the increasing global wildlife-trafficking crisis.

The Division works with U.S. Attorneys' Offices around the country and federal agency partners (such as the U.S. Fish and Wildlife Service, U.S. Immigration and Customs Enforcement, and the National Oceanic and Atmospheric Administration) to combat wildlife trafficking under the Endangered Species Act and the Lacey Act, as well as statutes prohibiting smuggling, criminal conspiracy, and related crimes. The Department has successfully prosecuted numerous cases of illicit wildlife smuggling involving trafficking of rhinoceros horns, elephant ivory, South African leopard, Asian and African tortoises and reptiles, and many other forms of protected wildlife and protected plant species. Through enforcement efforts like "Operation Crash"—which is focused on the lucrative and often brutal trade in rhinoceros horns—we work to bring traffickers to justice. This operation has resulted in more than a dozen successful prosecutions, and we are continuing to unravel the sophisticated international criminal networks that engage in these crimes.

I. Land Acquisition

Consistent with the mandate of the Fifth Amendment to the U.S. Constitution to pay just compensation when the United States must acquire private property, ENRD works to ensure that all landowners receive fair-market value, while taxpayers are not required to pay in excess of fair-market value. Great efforts are made to resolve disputes without litigation where feasible. Recently, we exercised the federal government's power of eminent domain to condemn nearly 276 acres of land in Somerset County, Pennsylvania, where United Airlines Flight 93 crashed on September 11, 2001. The land was acquired to construct the Flight 93 National Memorial. This case involved extensive discovery, motions practice, and settlement negotiations, culminating in a week-long trial in October 2013. In December 2013, the Land Commission issued a report finding that the fair-market value of the property was $1,535,000, which was $21,765,000 less than the landowners' appraiser's valuation and much closer to the United States' valuation of $610,000. The federal district court in Pennsylvania adopted the Land Commission's report in March 2014. Through this litigation, American taxpayers saved tens of millions of dollars in obtaining the land necessary to develop a national memorial to the passengers on United Airlines Flight 93, who tragically lost their lives on September 11, 2001.

THE DIVISION'S FISCAL YEAR 2015 BUDGET REQUEST

The President's fiscal year 2015 request seeks 537 positions (370 attorneys), 526 FTEs, and $112,487,000. Included in this request are adjustments to base required to maintain the legal representation services that have yielded the impressive legal successes and quantitative outcomes described in this statement, as well as the Department's response to the Deepwater Horizon oil spill and anticipated costs associated with lease expirations in 2015. Funding the fourth-largest litigating Division in the Department at this level is a great investment.

CONCLUSION

At this time, Mr. Chairman, I would be happy to address any questions you or Members of the Subcommittee may have.